

you wish to? All right. Seeing none other, Senator Schmitt's light is on. Do you want to turn that off, Senator Keyes. I don't think he is going to. We will, the motion then is the adoption of the committee amendments on LB 349. All those in favor of the committee amendments vote aye. Opposed nay. Record the vote.

CLERK: 25 ayes, 0 nays to adopt the committee amendments.

SPEAKER LUEDTKE: The committee amendments on LB 349 are adopted. Senator Goodrich.

SENATOR GOODRICH: Now, Mr. President, the bill is as I described. It opens up the statute, let the nonparticipating employees of a school system come into the retirement system. It gives them 120 days and any individual who has reached his 61st birthday does not come into the system but can operate on what we call a savings type plan. For that reason, I move the adoption of the bill as amended.

SPEAKER LUEDTKE: The Chair recognizes Senator Murphy.

SENATOR MURPHY: A question of Senator Goodrich.

SPEAKER LUEDTKE: Senator Goodrich, will you respond.

SENATOR MURPHY: Senator Goodrich, it is fine to open up this program for these teachers if they wish to come in but I also read in there a paragraph that says they are mandated to come into the program from this point on. It is no longer an option to join. It is mandate to join.

SENATOR GOODRICH: That is after July 1, 1978.

SENATOR MURPHY: Yes.

SENATOR GOODRICH: Any teacher coming in after July 1 of 1978 must participate so we don't have to keep doing this year after year.

SENATOR MURPHY: Must we mandate that we join?

SENATOR GOODRICH: Yes, if you are going to have a legitimate what we call, how do I say it, in other words, a retirement system that they have the option of whether or not to join is not a bona fide retirement system. It is just a selective system. When you are dealing in retirement systems, IRS and social security both require, for example, that these systems be alike for all employees. If you don't provide mandatory participation, you have got two questions. Number one, you have a question of whether or not it will qualify with IRS. Number two, you also have the problem of having to come back ever so often and open up the statutes like this, like we are doing right here, so that we give those that decided ten years later, oh, maybe I should have done it and then they come hounding us, please open it up again so we can come in. What we are saying is, after July 1, 1978 everybody that is a teacher must, it is mandatory participation in a retirement plan after they have met the stipulations of time they have worked there and a certain age.

SENATOR MURPHY: I guess I have an inherent reluctance about governmental mandates, Senator Goodrich. I think it is fine that you are electing to open it and that they may of their